

Frequently Asked Questions – Leave Accrual Changes

1. What is changing about leave accrual?

Currently, employees who are eligible to accrue annual and sick leave do so monthly.

Beginning on January 1, 2024, employees who are eligible to accrue annual and sick leave will begin accruing their leave annually.

2. Under what authority are the leave accrual changes happening?

These changes are based on Public Chapter 216, passed by the 113th General Assembly on April 10, 2023.

3. When are these leave accrual changes happening?

The changes are effective beginning on January 1, 2024. However, current employees will see their accrued leave balances adjusted on the first day of their service anniversary month. For more information, please see FAQ #5.

4. Who is affected by the leave accrual changes?

Employees who work for the following employers are covered under the new law:

- All officers and positions in the executive branch and all boards, commissions and agencies of state government;
- The judicial branch of state government including, but not limited to, employees of the administrative office of the courts;
- The office of the secretary of state;
- The office of the state treasurer;
- The office of the comptroller of the treasury;
- The office of the attorney general and reporter;
- The offices of the district attorneys general and the district public defenders;
- Only certified professional employees of the Tennessee School for the Blind, Tennessee School for the Deaf, West Tennessee School for the Deaf, Alvin C. York Institute, and any other special school;
- Any administrative boards and commissions, or any other officers or employees, attached to the entities listed above for administrative purposes;

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- The Tennessee higher education commission and all employees of that commission;
- All employees of the Tennessee advisory commission on intergovernmental relations;
- The Tennessee housing development agency and all employees of that agency; and
- All employees of the Tennessee rehabilitative initiative in correction board.

Eligibility to accrue annual and sick leave can be found in the [State's Attendance and Leave Manual](#) (See Chapter 4, Section 02 for Annual Leave. See Chapter 5, Section 01 for Sick Leave).

The law does not cover the legislative branch of state government including, but not limited to, employees of the fiscal review committee, and employees of any other committee, office or other entity created for the purpose of serving either or both houses of the general assembly.

**Please note that these FAQs and DOHR policies and procedures apply to executive branch agencies only. Other covered employers may choose to adopt the same policies and procedures or may adopt their own.*

5. When will I accrue my leave?

Current employees will accrue their annual and sick leave on the first day of their service anniversary month. It will be available to use immediately on that date, although it may not appear in Edison until the system updates their leave balance for the relevant pay period.

New employees will accrue their annual and sick leave on their initial hire date. The leave will be available to use on their first day of employment, although it may not appear in Edison until the system updates their leave balance for the first pay period.

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Example: Employee A's service anniversary month is July. Employee A has less than 5 years of service and currently accrues 1 day of annual leave and 1 day of sick leave per month. Employee A will continue to accrue 1 day of annual leave and 1 day of sick leave per month through June 2024. On the first day of their service anniversary month (July 1, 2024), Employee A will accrue 12 annual leave days and 12 sick leave days, which is their full balance of leave for the year. Assuming the employee's service anniversary date remains the same, Employee A will accrue a year's worth of leave again on July 1, 2025.

6. How much annual leave will I accrue?

Employees with less than five (5) years of full-time service will accrue annual leave at a rate of twelve (12) days per year.

Employees with five (5) to less than ten (10) years of full-time service will accrue annual leave at a rate of eighteen (18) days per year.

Employees with ten (10) to less than twenty (20) years of full-time service will accrue annual leave at a rate of twenty-one (21) days per year.

Employees with twenty (20) or more years of full-time service will accrue annual leave at a rate of twenty-four (24) days per year.

7. How much sick leave will I accrue?

Employees will accrue sick leave at a rate of twelve (12) days per year.

8. Is my annual leave service group changing?

No, the service groups are not changing. See FAQ #6 for information about service groups.

9. Do I still need supervisory approval to use my annual leave?

Yes, employees are still required to request and be approved for annual leave by their supervisor before taking leave. The leave accrual changes do not impact current annual leave approval practices.

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10. Can I still be required to provide documentation to support a sick leave request?

Yes, employees may be required to present documentation to support the reason for any sick leave absence. The leave accrual changes do not impact current sick leave approval practices.

11. Are the annual leave accumulation maximums still in place? What is the maximum amount of annual leave I can accumulate?

Yes. Employees will still be subject to a maximum accumulation of annual leave, and annual leave earned in excess of the maximum allowable accumulation for an employee's service group is transferred to the employee's sick leave balance (see FAQ #16 for more information on leave transfer).

Annual leave maximums are as follows:

- Employees with less than five (5) years of full-time service may accumulate a maximum of thirty (30) workdays (or two hundred and twenty five (225.0) hours) of annual leave. Employees working an eight (8.0) hour schedule may accumulate a maximum of two hundred and forty (240.0) hours.
- Employees with five (5) to less than ten (10) years of full-time service may accumulate a maximum of thirty-six (36) workdays (or two hundred and seventy (270.0) hours) of annual leave. Employees working an eight (8.0) hour schedule may accumulate a maximum of two hundred and eighty-eight (288.0) hours.
- Employees with ten (10) to less than twenty (20) years of full-time service may accumulate a maximum of thirty-nine (39) workdays (or two hundred and ninety-two point five (292.5) hours) of annual leave. Employees working an eight (8.0) hour schedule may accumulate a maximum of three hundred and twelve (312.0) hours.

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- Employees with twenty (20) years or more of full-time service may accumulate a maximum of forty-two (42) workdays (or three hundred and fifteen (315.0) hours) of annual leave. Employees working an eight (8.0) hour schedule may accumulate a maximum of three hundred and thirty-six (336.0) hours.

12. Does this mean I will accumulate more/less leave than I did previously?

No, the changes only affect when the employee accrues leave, not the total amount they receive overall. For example, an employee who was earning one (1) day of annual leave per month will earn twelve (12) days of annual leave per year, rather than spread out over each month.

13. How do I find out my service anniversary date?

Employees may access this information by using the following directions in the Edison NavBar Menu: **HCM > Self Service > Time Reporting > View Time > Leave Balance/Service Credits**. From this page, click on the “Service Credits” tab to view your “Service Anniversary.” For additional questions, please contact your HR Office.

14. Beginning on January 1, 2024, will I continue to accrue my leave monthly until my service anniversary date?

Yes, employees will continue to accrue leave monthly until their service anniversary date, at which point employees will transition to an annual accrual rather than a monthly accrual of leave (see FAQ #5).

15. If I have a gap in paid employment, does that change my service anniversary date (and therefore the date I accrue my leave)?

Yes, gaps in paid employment may cause a change in an employee’s service anniversary date.

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16. How do the changes impact the yearly transfer of annual leave to sick leave? Will I receive notice that the transfer is occurring?

Annual leave earned in excess of the maximum allowable accumulation for an employee's service group is transferred to the employee's sick leave balance (see FAQ #11). This transfer will occur on the last day of the month prior to the employee's service anniversary month. Employees may view and track their leave balances in Edison at any time but will not receive a separate notice before leave transfers.

Example: An employee's service anniversary month is April 2024. If the employee is above their maximum annual leave balance, the employee's excess annual leave will transfer to their sick leave balance on March 31, 2024.

17. What happens to my sick leave if I separate?

The sick leave balance for separating employees (other than deceased employees) will be retained as a permanent record in the employee's personnel file. Should the employee be rehired with the State in the future, the sick leave balance may be reinstated (see FAQ #19).

18. What happens to my annual leave if I separate? Will my service credit be impacted?

When an employee separates, he or she will receive a lump sum for any unused annual leave (unless the employee was dismissed for gross misconduct).

Employees who separate within their first year of employment; however, will see their final paycheck reduced if the number of annual days used exceeds the number of months worked (subject to federal minimum wage requirements). An employee's credit for service will also be reduced by the same amount.

For example, Employee A is hired on July 1, 2024. The employee is frontloaded 12 days of annual leave and 12 days of sick leave. The employee uses 5 days of annual leave for a vacation in August 2024. The employee resigns effective September 1,

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2024. The employee only worked for (a major portion of) 2 months but used 5 days of annual leave. The employee's final paycheck will be reduced to account for 3 days of annual leave, the number of days the employee used that exceeded the number of months the employee worked the major portion.

19. What happens to my sick leave if I am rehired by the state?

The employee's previously unused sick leave balance will be reinstated to any state employee who: 1) worked on a continuous basis for at least one (1) full year, 2) left in good standing, and 3) returned to the state as an employee scheduled to work at least one thousand six hundred (1,600) hours and eligible to accrue leave. The employee will be credited with the sick leave balance upon the receipt of proper documentation from the employee's agency.

The provision of working one (1) full year does not apply to a state employee or individual employed by a local school board in Tennessee who leaves the employment of the state or school board in good standing and becomes a full-time state employee within six (6) months of the date of termination. In this case, the employee will be credited with all sick leave to which they were entitled at the time of separation upon the receipt of proper documentation from the employee's agency.

Sick leave reinstatement will be denied to any employee who was dismissed from state employment because of gross misconduct.

20. What happens to my annual leave if I am rehired by the state?

If the separated employee is rehired by the State within one (1) year of the date of separation, the State will reinstate any accrued, unused annual leave from the previous period of employment for which the employee was not compensated at separation.

21. What happens to my sick/annual leave if I transfer *from* another employer?

If there is no break in service and the employee is transferring to an eligible employer (see FAQ #4), the leave will transfer with the employee. DOHR will

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manually make any leave adjustments. If the employee is transferring from a local school system, the employee's sick leave balance will be credited.

22. What happens to my sick/annual leave if I transfer to another employer?

If there is no break in service and the employee is transferring from an eligible employer (see FAQ #4), the leave will transfer with the employee.

23. How do the changes effect Sick Leave Bank enrollment and usage? What about donated leave and donating leave upon separation?

The Sick Leave Bank enrollment, donation, and usage requirements are not changing (see the [State's Attendance and Leave Manual](#) Sections 5.13-5.16 for more information). Employees should note that Sick Leave Bank usage may impact an employee's service anniversary date and therefore, the date they accrue leave.

Example: An employee's service anniversary date is September 1, 2024. She accrues her yearly leave balance on this date and exhausts her entire accrued leave balance. From December 2024 through February 2025, the employee is approved for and is out on Sick Leave Bank leave. Because the employee is in an unpaid status during this time, the employee's service anniversary date changes from September 1 to December 1. The employee will not be eligible to accrue leave again until December 1, 2025.

Example: An employee's service anniversary date is September 1, 2024. The employee works most of August 2024 and goes out on sick leave bank leave beginning on August 20, 2024. On September 1, 2024, the employee accrues their yearly leave balance. On this date, the employee will be returned to their normal employment status and will have to use his accrued leave balance. Should the employee exhaust his leave balance and require additional leave, he or she may be approved to go back on Sick Leave Bank leave.

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24. What happens to my leave if I move from full-time to part-time status during the year?

If an employee moves from a full-time to part-time status during the year, their leave balance is frozen until they return to full-time status, work 1,600 hours within a fiscal year in a leave-accruing part-time position, or separate. Once the employee becomes eligible to accrue leave, the leave balance will be manually adjusted.

25. Will I be able to take more annual and/or sick leave than I have accrued?

No, leave cannot be taken until it is accrued, which occurs on the hire and/or service anniversary date (see FAQ # 5).

26. My service anniversary date is January 1, 2024. When will my rollover to sick leave occur (see FAQ #11 and #16) and when will I receive my leave accrual?

The annual leave rollover to sick leave will occur in December 2023 for those employees whose service anniversary date is January 1, 2024. Employees' leave will be available to use on January 1, 2024, although it may not be visible in Edison until the leave balance is updated during the next pay period.

27. Will employees still have to use their compensatory leave before using annual leave?

Yes, if an employee has compensatory leave available, it will be used first before annual leave, unless the accumulated annual leave balance at the beginning of the pay period is within two (2) days of the maximum accrual rate for the employee's service group.

28. Will this process impact leave taken under the Family Medical Leave Act (FMLA)?

No, employees who take FMLA leave are still required to use their accrued leave during the FMLA absence before going on unpaid leave (see the [State's Attendance and Leave Manual](#), Chapter 6, Section 12).

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29. Are any of the Time Reporting Codes (TRCs) in Edison changing?

No. Employees will continue to use AL (annual leave) and SL (sick leave) to use leave.

30. How will the changes impact terminal leave for retirees?

There are no substantive changes; however, the leave balance may be adjusted based on when the employee utilizes terminal leave.

31. How will the changes impact applications for retirement?

There will be no substantive impact.

32. How will the changes impact my benefits and/or insurance?

To the extent procedures provided in FAQ #18 of this document impact an employee's health insurance coverage, procedures will be modified to ensure appropriate coverage for eligible employees.

33. When will rehires see their leave balances and how will their leave be reinstated?

Leave will be manually reinstated by DOHR beginning in January 2024. While the leave may not be shown in Edison, it is still available for use at the time of rehire.

34. Will there be limits on how much sick or annual leave an employee can use? What happens if I use all my leave and need more leave?

There are no limits on how much sick and/or annual leave an employee may use if it is within their leave balance. However, annual leave is subject to supervisory approval (see FAQ #9) and sick leave absences may need to be supported with documentation (see FAQ #10). Current policies and practices regarding approval of unpaid leave/leave without pay are not changing.

35. What happens if I don't use my sick or annual leave before my next service anniversary date – do I lose it?

No, any unused leave will remain in an employee's leave balance, subject to the rollover of annual leave to sick leave (see FAQs #11 and #16).



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36. Can I “opt out” of this and continue to accrue my leave monthly?

No.

37. Who can I contact if I have questions about leave accrual?

Employees with questions about leave accrual can find more information on DOHR’s website or the [State’s Attendance and Leave Manual](#) (*note that the Manual on the website will not be updated until the law’s effective date on January 1, 2024*). Employees with additional questions may contact DOHR’s HR Service Center at 615-741-4841 or HR.ServiceCenter@tn.gov, or their agency human resources officer.